

## Message Text

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PAGE 01 NEW DE 09990 261335Z

41

ACTION NEA-16

INFO OCT-01 ISO-00 EB-11 COME-00 DRC-01 RSC-01 /030 W

----- 000634

R 261225Z JUL 74

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 2923

INFO AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

LIMITED OFFICIAL USE NEW DELHI 9990

E.O. 11652: N/A

GAGS: EMIN, IN

SUBJ: MICA

REF: A) STATE 160974; B) NEW DELHI 7496

1. MINATT DISCUSSED SUBSTANCE OF REF A (EXCLUDING SENSITIVE APSECTS) WITH A.S. GILL, JOINT SECRETARY, AND K.L. MATHUR, UNDER SECRETARY (FOR MICA AFFAIRS), MINISTRY OF COMMERCE, JULY 26. GILL CATEGORICALLY DENIED THAT GOI EXPORTS OF MICA FROM INDIA ARE BEING CURTAILED; TO THE US OR ELSEWHERE. HE STRESSED THAT, TO THE CONTRARY, INDIA CONTINUES TO BE CONCERNED OVER THE EXPORT OUTLOOK FOR MICA AND "REMAINS DEDICATED" TO AN IMPROVED EXPORT PROGRAM IN THIS COMMODITY.

2. GILL AND MATHUR NOTED THE AMERICAN FIRM REGISTERING THE INQUIRY (ACIM PAPER CORPORATION), AND ASSURED MINATT THAT THEIR MINISTRY WOULD "LOOK INTO THE MATTER AND REPORT BACK WITHOUT DELAY". GILL ALSO PROMISED TO PROVIDE DATA ON QUANTITIES (OF SCRAP MICA) CURRENTLY AVAILABLE FOR EXPORT, AND TO ADVISE US IF PROBLEMS INHIBITING SALES OF THIS COMMODITY EXIST OR MAY BE FORESEEN.

3. COMMENT: GILL IS NEW TO THE MICA BUSINESS AND HAD NOT DONE HIS HOMEWORK PRIOR TO THIS MEETING. HE TURNED TO MATHUR FOR ALL SPECIFICS, AND MAY BE EXPECTED TO CONTINUE TO RELY SOLELY ON HIM FOR ALL UPCOMING ANSWERS IN THIS MATTER. MATHUR WAS CLEARLY  
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PAGE 02 NEW DE 09990 261335Z

EMBARRASSED OVER THIS TURN OF EVENTS. HE HAS LONG BEEN THE PRIME

MOVER IN THE GOI'S ATTEMPT TO PROVE THAT USG MICA STOCKPILE DISPOSALS HAVE BEEN DETRIMENTAL TO INDIAN EXPORTS WORLDWIDE, AND HAS HELD THAT US BUYERS WOULD ALSO THUS "TURN AWAY" FROM DIRECT PURCHASES FROM INDIA. WE BELIEVE, THEREFORE, THAT QUICK REMEDIAL ACTION MAY WELL BE TAKEN IF THE GOI FINDS THAT ACIM'S ALLEGATIONS HAVE MERIT.

4. WE ARE OF THE VIEW THAT, WHILE SCRAP MICA AND OTHER GRADES ARE IN PLENTIFUL SUPPLY FOR EXPORT, BUREAUCRATIC PROBLEMS, INEFFICIENT PROCESSING OF ORDERS, AND/OR OTHER MIX-UPS, MAY HAVE EXCALATED RECENTLY. THE GOI TRANSFERRED RESPONSIBILITY FOR MICA EXPORTS FROM MMTC TO THE NEWLY-CREATED MICA TRADING CORPORATION OF INDIA ON MAY 31 (REF (REF B). MICA EXPORT RECORDS AND PERSONNEL WERE PHYSICALLY MOVED FROM NEW DELHI TO PATNA, BIHAR -- BUT NOT UNTIL MID-JUNE, HOWEVER (AND THEN TO TEMPORARY OFFICE SPACE ONLY). MATHUR ADMITTED THAT THERE HAD BEEN "SOME SLIPPAGE HERE AND THERE" AND INDICATED ALSO THAT COMMUNICATION BETWEEN THE COMMERCE MINISTRY AND THE MICA TRADING CORPORATION HAS BEEN "POOR" SINCE THE PATNA OFFICE OPENED. WE WILL REPORT FURTHER DEVELOPMENTS AS RECEIVED. END COMMENT.  
MOYNIHAN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, FOREIGN RELATIONS, EXPORT CONTROLS, MICA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 JUL 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** kelleyw0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
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**Status:** NATIVE  
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